

State Controller

Analyst: Hancock

Historical Summary

OPERATING BUDGET	FY 2006 Total App	FY 2006 Actual	FY 2007 Approp	FY 2008 Request	FY 2008 Gov Rec
BY PROGRAM					
Administration	500,900	445,200	477,000	497,100	491,700
Statewide Accounting	2,923,300	2,915,700	3,445,400	3,554,700	3,212,300
Statewide Payroll	2,290,400	1,777,800	3,037,700	3,014,700	3,025,200
Computer Center	7,758,200	6,569,400	6,232,000	6,493,900	6,425,700
Total:	13,472,800	11,708,100	13,192,100	13,560,400	13,154,900
BY FUND CATEGORY					
General	5,608,800	5,044,300	6,627,500	7,066,500	6,676,700
Dedicated	7,864,000	6,663,800	6,564,600	6,493,900	6,478,200
Total:	13,472,800	11,708,100	13,192,100	13,560,400	13,154,900
Percent Change:		(13.1%)	12.7%	2.8%	(0.3%)
BY OBJECT OF EXPENDITURE					
Personnel Costs	7,743,000	6,605,400	6,860,400	7,227,900	7,227,000
Operating Expenditures	5,555,600	4,424,400	6,196,700	6,192,200	5,787,600
Capital Outlay	174,200	678,300	135,000	140,300	140,300
Total:	13,472,800	11,708,100	13,192,100	13,560,400	13,154,900
Full-Time Positions (FTP)	99.85	99.85	99.85	99.00	100.00

Department Description

The State Controller is one of seven statewide elected officials in Idaho. The State Controller's Office is organized into four divisions: (1) Administration; (2) Statewide Accounting; (3) Statewide Payroll; and (4) the Computer Center.

The Division of Administration includes the State Controller and central support employees.

The Division of Statewide Accounting is responsible for maintaining the state's accounting system, referred to as STARS (Statewide Accounting and Reporting System), and preparing statewide and agency-specific financial reports.

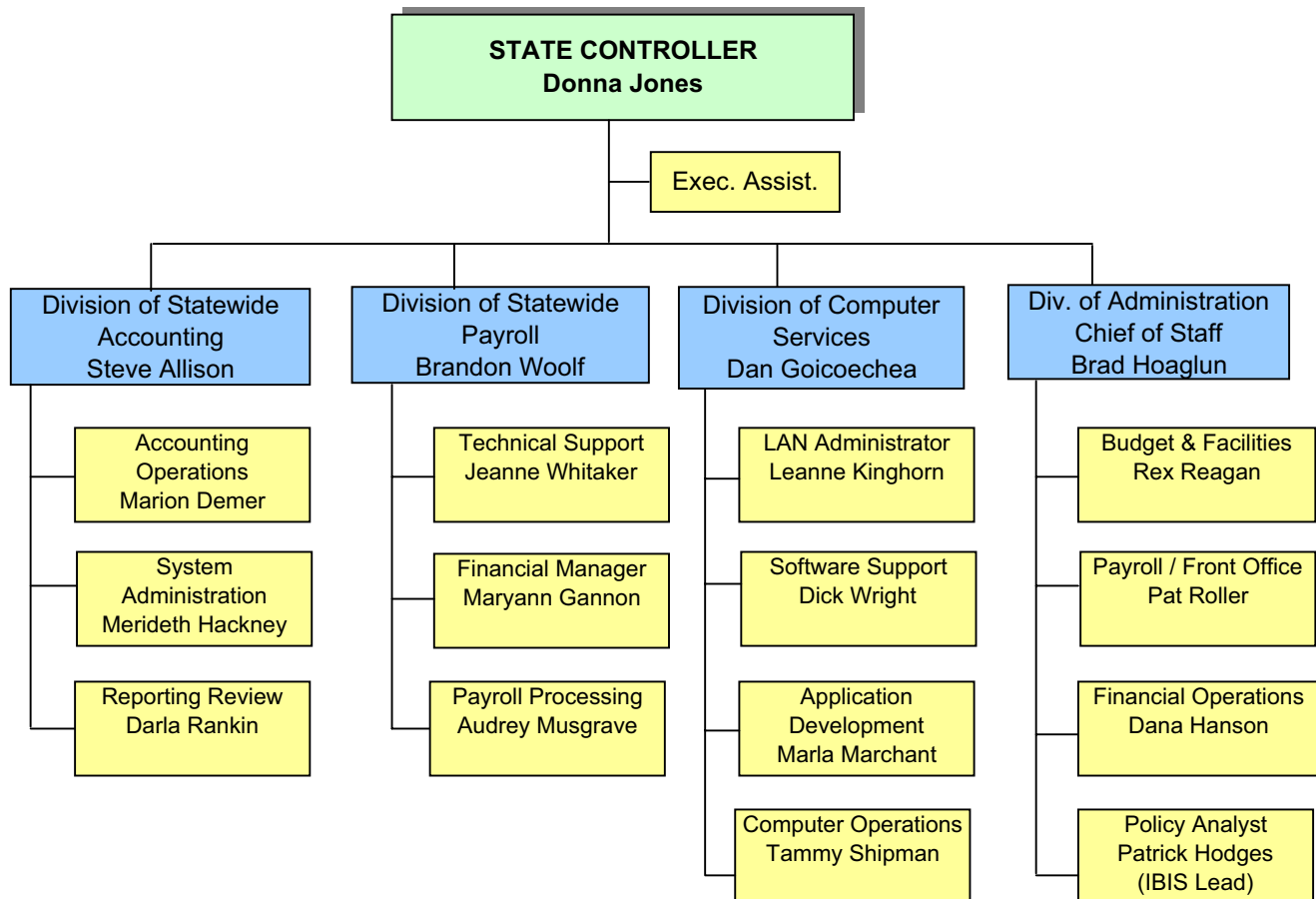
The Division of Statewide Payroll is responsible for paying and keeping personnel and payroll records for over 24,000 state employees on a bi-weekly basis. It accomplishes this through the Employee Information System (EIS), which consists of three major components: 1) Position Control; 2) Personnel; and 3) Payroll. The division is also responsible for all garnishment processing, tax reporting, interfacing with the Division of Statewide Accounting, and electronic fund transfers with major vendors associated with the payroll system.

The Computer Center maintains the state's central computer, and provides information technology services to all user state agencies.

[Statutory Authority: Idaho Code §67-1001 et seq.]

State Controller Agency Profile

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Sources of Funds

**FY 2006
Actual***

General Funds (0001): individual income tax, corporate income tax, sales tax, cigarette tax, beer tax, wine tax, liquor surcharge, kilowatt hour tax, mine license tax, Treasurer's interest on investments of certain idle state funds, court fees and fines, insurance premium tax, sale of alcoholic beverage licenses, unclaimed property, articles of incorporation and uniform commercial code filing fees, estate and transfer tax, and other miscellaneous sources from various agency receipts.

The State Controller's General Fund appropriation is billed to state agencies pursuant to the Statewide Cost Allocation Plan (Idaho Code §67-3531). This allows the General Fund to recover a fair portion of the cost of the State Controller's General Fund appropriation from all state agencies, including those that are funded entirely or in part with dedicated and federal funds.

\$5,138,632

Data Processing Services (0480): Fees collected from state agencies that use the Computer Center's mainframe or programming services.

\$6,569,418
\$11,708,049

*\$94,410 is included in General Funds for 27th payroll; however, the General Fund's share of the Controller's 27th payroll was actually appropriated one-time from Economic Recovery Reserve Fund.

State Controller

Comparative Summary

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Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2007 Original Appropriation	99.85	6,627,500	13,192,100	99.85	6,627,500	13,192,100
Reappropriations	0.00	564,500	1,753,300	0.00	564,500	1,753,300
FY 2007 Total Appropriation	99.85	7,192,000	14,945,400	99.85	7,192,000	14,945,400
Non-Cognizable Funds and Transfers	(0.85)	0	0	(0.85)	0	0
Expenditure Adjustments	0.00	(10,000)	(10,000)	0.00	(10,000)	(10,000)
FY 2007 Estimated Expenditures	99.00	7,182,000	14,935,400	99.00	7,182,000	14,935,400
Removal of One-Time Expenditures	0.00	(674,500)	(2,298,300)	0.00	(674,500)	(2,298,300)
FY 2008 Base	99.00	6,507,500	12,637,100	99.00	6,507,500	12,637,100
Benefit Costs	0.00	67,500	146,100	0.00	0	0
Inflationary Adjustments	0.00	62,100	104,600	0.00	0	0
Replacement Items	0.00	29,400	140,300	0.00	29,400	140,300
Statewide Cost Allocation	0.00	2,000	10,900	0.00	2,000	10,900
Annualizations	0.00	2,000	2,000	0.00	2,000	2,000
Change in Employee Compensation	0.00	96,000	219,400	0.00	135,800	312,100
FY 2008 Program Maintenance	99.00	6,766,500	13,260,400	99.00	6,676,700	13,102,400
1. STARS Upgrade	0.00	300,000	300,000	0.00	0	0
2. Human Resource Functions	0.00	0	0	1.00	0	52,500
FY 2008 Total	99.00	7,066,500	13,560,400	100.00	6,676,700	13,154,900
Change from Original Appropriation	(0.85)	439,000	368,300	0.15	49,200	(37,200)
% Change from Original Appropriation		6.6%	2.8%		0.7%	(0.3%)

State Controller

Analyst: Hancock

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2007 Original Appropriation	99.85	6,627,500	6,564,600	0	13,192,100

Reappropriations

Reappropriation authority, also known as carry over, allows unspent funds from the prior fiscal year to be carried over and spent in the current fiscal year. Those moneys are then removed as one-time expenditures before calculating the next year's base. Carry over requires specific legislative authorization and must be approved every year.

Agency Request	0.00	564,500	1,188,800	0	1,753,300
Governor's Recommendation	0.00	564,500	1,188,800	0	1,753,300

FY 2007 Total Appropriation					
Agency Request	99.85	7,192,000	7,753,400	0	14,945,400
Governor's Recommendation	99.85	7,192,000	7,753,400	0	14,945,400

Non-Cognizable Funds and Transfers

Shifts various positions between programs and deletes 0.85 FTP.

Agency Request	(0.85)	0	0	0	0
Governor's Recommendation	(0.85)	0	0	0	0

Expenditure Adjustments

Reversion of FY 2006 reappropriation dollars that will not be spent in FY 2007.

Agency Request	0.00	(10,000)	0	0	(10,000)
Governor's Recommendation	0.00	(10,000)	0	0	(10,000)

FY 2007 Estimated Expenditures					
Agency Request	99.00	7,182,000	7,753,400	0	14,935,400
Governor's Recommendation	99.00	7,182,000	7,753,400	0	14,935,400

Removal of One-Time Expenditures

Remove funding provided for one-time items.

Agency Request	0.00	(674,500)	(1,623,800)	0	(2,298,300)
Governor's Recommendation	0.00	(674,500)	(1,623,800)	0	(2,298,300)

FY 2008 Base					
Agency Request	99.00	6,507,500	6,129,600	0	12,637,100
Governor's Recommendation	99.00	6,507,500	6,129,600	0	12,637,100

Benefit Costs

Restores funding for one health insurance holiday taken in FY 2007. Also includes the employer-paid portion of estimated changes in employee benefit costs. The two biggest factors are health insurance rates and retirement rates. Health insurance is projected to increase by 4.9% or \$350 per position. Retirement rates are scheduled to increase by 5.9% from 10.39% to 11% of salary for regular employees. Other benefit changes include minor adjustments in unemployment insurance rates and workers compensation rates.

Agency Request	0.00	67,500	78,600	0	146,100
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The Governor recommends that all health insurance related adjustments be funded by program changes or utilizing reserves available in the group insurance contract. As the PERSI Board voted to maintain the current contribution rate for the upcoming fiscal year, no adjustment to retirement rates is necessary.

Governor's Recommendation	0.00	0	0	0	0
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Inflationary Adjustments

This inflationary adjustment represents a 1.81% increase for operating costs.

Agency Request	0.00	62,100	42,500	0	104,600
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Inflationary increases are provided only for contractual obligations such as leased space costs. Other inflationary requests are not recommended.

Governor's Recommendation	0.00	0	0	0	0
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Replacement Items

Replacement Items include a color laser printer (\$2,000), seven servers (\$74,900), 32 computers (\$54,400) and 30 monitors (\$9,000).

Agency Request	0.00	29,400	110,900	0	140,300
Governor's Recommendation	0.00	29,400	110,900	0	140,300

State Controller

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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Statewide Cost Allocation					
This decision unit includes adjustments for services provided by state agencies as follow: \$10,800 increase for State Controller fees and \$100 increase for property and casualty insurance premiums.					
Agency Request	0.00	2,000	8,900	0	10,900
Governor's Recommendation	0.00	2,000	8,900	0	10,900
Annualizations					
Annualizes the previous fiscal year's State Controller pay increase.					
Agency Request	0.00	2,000	0	0	2,000
Governor's Recommendation	0.00	2,000	0	0	2,000
Change in Employee Compensation					
Reflects the calculated cost of a 3.5% salary increase for permanent and group positions. Also includes a statutory 3% increase in State Controller pay.					
Agency Request	0.00	96,000	123,400	0	219,400
The Governor recommends a compensation increase of 5% to be distributed based on merit, plus the \$3,100 required for increased elected official pay, as per HB 865.					
Governor's Recommendation	0.00	135,800	176,300	0	312,100
FY 2008 Program Maintenance					
Agency Request	99.00	6,766,500	6,493,900	0	13,260,400
Governor's Recommendation	99.00	6,676,700	6,425,700	0	13,102,400
1. STARS Upgrade			Statewide Accounting		
This request would provide the second year of funding for a three-year project to upgrade the State Controller's statewide STARS accounting system. The STARS system, which is 16 years old, is notable for its inflexibility and user unfriendliness. The agency estimates that completion of these upgrades will improve the system and extend its useful life for another 10 years. The total cost of this project is estimated at \$1.5 million, with \$300,000 being requested for each of the three years, and \$600,000 coming from other state agency contributions, and internal budget savings in the State Controller's Office. The funding is requested on a one-time basis.					
Agency Request	0.00	300,000	0	0	300,000
The Governor did not choose to make a recommendation on enhancements for this Executive Branch elected official.					
Governor's Recommendation	0.00	0	0	0	0
2. Human Resource Functions					
Agency Request	0.00	0	0	0	0
Governor's Initiative - Provide 1.0 FTP to allow the Office of the Controller to identify and address actions on the Idaho Paperless Personnel and Payroll System (IPOPS) that do not meet Idaho Code or human resource rules.					
Governor's Recommendation	1.00	0	52,500	0	52,500
FY 2008 Total					
Agency Request	99.00	7,066,500	6,493,900	0	13,560,400
Governor's Recommendation	100.00	6,676,700	6,478,200	0	13,154,900
Agency Request					
Change from Original App	(0.85)	439,000	(70,700)	0	368,300
% Change from Original App	(0.9%)	6.6%	(1.1%)		2.8%
Governor's Recommendation					
Change from Original App	0.15	49,200	(86,400)	0	(37,200)
% Change from Original App	0.2%	0.7%	(1.3%)		(0.3%)